

1-1 By: Carona S.B. No. 801
 1-2 (In the Senate - Filed February 25, 2013; March 5, 2013,
 1-3 read first time and referred to Committee on Business and Commerce;
 1-4 March 13, 2013, reported favorably by the following vote: Yeas 8,
 1-5 Nays 0; March 13, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11			X	
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to security deposit requirements for certain insurance
 1-20 companies.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subsections (b) and (d), Section 861.252,
 1-23 Insurance Code, are amended to read as follows:

1-24 (b) If, as a prerequisite to engaging in the business of
 1-25 insurance in another state, country, or province, a general
 1-26 casualty company is required to deposit with the appropriate
 1-27 officer of that state, country, or province, or with the
 1-28 comptroller, securities or cash [~~in excess of the deposit made~~
 1-29 ~~under Subsection (a)~~], the company may deposit with the comptroller
 1-30 any authorized securities or cash sufficient to meet the
 1-31 requirement. The comptroller shall receive and hold the deposit
 1-32 exclusively for the protection of policyholders of the company.

1-33 (d) A general casualty company may change the company's
 1-34 securities on deposit with the comptroller by withdrawing those
 1-35 securities and substituting an equal amount of other securities
 1-36 consisting only of:

1-37 (1) United States currency;
 1-38 (2) bonds of any state;
 1-39 (3) bonds or other evidences of indebtedness of the
 1-40 United States the principal and interest of which are guaranteed by
 1-41 the United States;

1-42 (4) bonds or other interest-bearing evidences of
 1-43 indebtedness of a county or municipality of any state;

1-44 (5) notes secured by first mortgages:
 1-45 (A) on otherwise unencumbered real property in
 1-46 this state the title to which is valid; and

1-47 (B) the payment of which is insured wholly or
 1-48 partly by the United States; or

1-49 (6) another form of security acceptable to the
 1-50 commissioner [authorized by Subsection (a)].

1-51 SECTION 2. Subsection (a), Section 861.252, and 982.306,
 1-52 Insurance Code, are repealed.

1-53 SECTION 3. This Act takes effect immediately if it receives
 1-54 a vote of two-thirds of all the members elected to each house, as
 1-55 provided by Section 39, Article III, Texas Constitution. If this
 1-56 Act does not receive the vote necessary for immediate effect, this
 1-57 Act takes effect September 1, 2013.

1-58 * * * * *